

MILPITAS OVERSIGHT BOARD

TO THE CITY OF MILPITAS ACTING AS THE RDA SUCCESSOR AGENCY

455 EAST CALAVERAS BOULEVARD, MILPITAS, CA 95035-5479
GENERAL INFORMATION: 408-586-3000 www.ci.milpitas.ca.gov

MILPITAS OVERSIGHT BOARD MEETING

Milpitas City Hall Committee Room
455 E. Calaveras Blvd., Milpitas, CA 95035

MEMBERS:

Jane Corpus
Bruce Knopf, Vice Chair
Mike McInerney, Chair
Michael Mendizabal
Althea Polanski
Matthew Tinsley
Glen Williams

ALTERNATES:

Alan Minato

Suzanne Carrig
Michael Murdter

DRAFT Minutes of the January 23, 2017 Meeting

I. CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Chair McInerney called the meeting to order at 1:32 p.m. Special Counsel Ms. Hilda Montoy joined the meeting via telephone.

ROLL CALL

MEMBERS PRESENT: Jane Corpus, Mike McInerney, Mike Mendizabal, Alan Minato, Michael Murdter (arrived at 1:44 p.m.), Althea Polanski and Matthew Tinsley

MEMBERS ABSENT: None

II. PUBLIC FORUM: None

III. APPROVAL OF AGENDA

Moved by Mr. Mendizabal and seconded by Ms. Polanski to approve the agenda. The motion passed unanimously.

IV. APPROVAL OF MINUTES

A. July 18, 2016 Meeting

Moved by Ms. Polanski and seconded by Mr. Mendizabal to approve the minutes of July 18, 2016. The motion passed by the following vote: **AYES:** McInerney, Mendizabal, Polanski and Tinsley **NOES:** 0 **ABSENT:** Murdter **ABSTAIN:** Corpus and Minato.

V. OLD BUSINESS:

None

VI. NEW BUSINESS

A. Adoption of Resolution No. 83 Approving the Successor Agency's Administrative Budget for July 1, 2017 through June 30, 2018.

Chair McInerney presented the staff report. Board Member Corpus gave an overview of the Administrative Budget saying that the Successor Agency (SA) submitted a proposed budget of \$135,456 which is a decrease of just over \$40,200 or twenty-three percent (23%) from last fiscal year's budget. City staff costs decreased from approximately \$114,400 in FY 16-17 to approximately \$76,150 in FY 17-18 for a staffing cost percentage decrease of thirty-three percent (33%).

Board Member Minato thanked the City for this staffing cost reduction, but said he believes the staffing budget still seems too high. He noted that the sum of the individual position percentages in the backup sheet totals to thirty-three percent (33%) of a Full Time Equivalent (FTE) employee which equals roughly 700 hours of staff time. He stated the Successor Agency processes payments for two debt obligations during the year. It also has to resolve the disposition of one more property that has been troublesome. He stated that the City of Campbell charges \$11,000 per fiscal year in staff time and it has one bond issuance to process and it makes payments on two debt obligations. The Town of Los Gatos charges \$20,000 in staff time and it has one bond issuance to process and it makes payments on two debt obligations each year and it has no properties.

Board Member Corpus stated that she is not familiar with the financial staffing structure or operational processes of the City of Campbell or the Town of Los Gatos so she does not know how valid any comparisons may be. She is, however, willing to have a discussion with them to determine how comparable they are to Milpitas. She pointed out that the City of Milpitas has a comprehensive process of reviews on financial transactions and its own separate bank account which reconciles at the end of each month. She added the staffing budget also reflects the high level of uncertainty on how many hours it will take to resolve the disposition of the one property that is likely to be contentious.

Board Member Polanski expressed her appreciation for the SA reducing the staff budget by thirty-three percent (33%) and she said she understands the questions that Board Member Minato raises. She shares the same concern as Board Member Corpus regarding whether one may make valid comparisons between the situations of the three cities. The other cities may not be doing the same things as the City of Milpitas in areas where the Successor Agency needs to be accountable. She believes it will be much harder to come back and ask for additional funds if something unexpected happens, especially with one property that already is contentious and it will continue to be contentious. She applauded Board Member Corpus for reducing staffing costs by the amount proposed and stated the Board should move forward and see what happens over the next several months.

After these comments a general discussion among the Board members ensued on several topics:

- The impact of cities with roughly similar workloads having significantly different staffing budgets.
- The reconciliation with the County Controller's Office of the actual spending on staffing compared to the budget during which the Board learned that a position generates salary savings or reduced costs compared to the budget only when it is unoccupied.
- The current practice of City staff members only estimating the amount of time spent on Successor Agency activities and the potential impact on staff efficiency of instituting a process of more such detailed time keeping.

Moved by Mr. Minato and seconded by Mr. Murdter to adopt Resolution No. 83 approving Successor Agency's Administrative Budget as amended to reduce the proposed budget by \$25,000 from \$135,456 to \$110,456 with the reduction only applying to the City staffing line. The motion passed by the following vote: **AYES:** McInerney, Minato, Murdter and Tinsley **NOES:** Corpus, Mendizabal and Polanski **Absent:** 0 **Abstain:** 0

B. Adoption of Resolution No. 84 Approving the Recognized Obligation Payment Schedule (ROPS) for July 1, 2017 through June 30, 2018

Chair McInerney presented the staff report.

Board Member Minato commented that since the ROPS contains a line item that is the SA's Administrative Budget, the approved ROPS must at least reflect the reduction to the Administrative Budget the Board approved in the previous item. Chair McInerney asked Board Member Minato if he required City staff to distribute the \$25,000 reduction to the Administrative Budget equally across the two six-month periods. Board Member Minato replied that he would leave the amount of reduction in each period up to the City Finance Director so long as the total reduction for the fiscal year equaled \$25,000.

Moved by Mr. Minato and seconded by Mr. Murdter to adopt Resolution No. 84 approving ROPS for July 1, 2017 through June 30, 2018 as amended. The motion passed by the following vote: **AYES:** McInerney, Mendizabal, Minato, Murdter and Tinsley **NOES:** Corpus and Polanski **Absent:** 0 **Abstain:** 0

VII. NEXT MEETING

A. Identify Potential Agenda Items.

1. Item on the 230 N. Main St. property that the Board postponed at its February 19, 2016 meeting.
2. Status report on sale of the three properties.

B. Set Date and Time.

It was agreed that the next meeting will be March 13, 2017 at 2:30.

VIII. MEETING ADJOURNMENT

Moved by Mr. Mendizabal and seconded by Mr. Tinsley, Chair McInerney adjourned the meeting at 2:34 on the consensus of the Board.

*Meeting minutes drafted and submitted by
Barbara Crump, Board Secretary*

Approved on March 13, 2017.

Mike McInerney
Oversight Board Chair

Barbara Crump
Oversight Board Secretary

OVERSIGHT BOARD STAFF REPORT

MEETING DATE: **March 13, 2017**

ITEM VI: Consideration of Request from Rajyoga Meditation & Research Center to Amend Purchase Sale Agreement by Extending the Due Diligence Period and Closing Date and Reducing the Purchase Price Regarding Property Located at 540 S. Abel Street, Milpitas California (APN 086-10-025)

RECOMMENDED ACTION:

1. Consider the request from Buyer to amend Purchase Sale Agreement to extend the Due Diligence and Closing Periods and reduce the purchase price regarding property located at 540 S. Abel Street.
2. If the Oversight Board finds that approving Buyer's request is in the best interest of the taxing entities and if it is inclined to approve the request, the Oversight Board may do so by approving:

Alternative A: RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER MILPITAS REDEVELOPMENT AGENCY APPROVING AMENDMENT TO REAL PROPERTY PURCHASE SALE AGREEMENT AND MUTUAL ESCROW INSTRUCTIONS FOR PROPERTY LOCATED AT 540 S. ABEL, MILPITAS, CALIFORNIA (APN 086-10-025) BETWEEN SUCCESSOR AGENCY AND RAJYOGA MEDITATION & RESEARCH CENTER, A NONPROFIT CORPORATION TO EXTEND THE DUE DILIGENCE PERIOD AND CLOSING DATE AND TO REDUCE THE PURCHASE PRICE OF PROPERTY; AND AUTHORIZING ISSUANCE OF A NEW RFP REGARDING SAID PROPERTY IF CLOSING IS NOT EFFECTED

NOTE: The actual extension dates and reduction price need to be determined by the Oversight Board.

3. If the Oversight Board finds that approving the Buyer's request is not in the best interest of the taxing entities, the Oversight Board may approve:

Alternative B: RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER MILPITAS REDEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE OF A NEW REQUEST FOR

PROPOSALS FOR PROPERTY LOCATED AT 540 S. ABEL, MILPITAS,
CALIFORNIA (APN 086-10-025).

BACKGROUND AND DISCUSSION:

On December 9, 2015, the Oversight Board considered the sale of the 540 S. Abel property. As a result of an RFP process, four proposals were received in the amounts of \$600,000, \$717,000, \$3 Million, and \$4 Million. The \$3 Million offer was from the County of Santa Clara and was withdrawn just prior to the meeting in light of the \$4 Million offer. The Oversight Board adopted Resolution No. 71 approving the Successor Agency's sale of real property located at 540 S. Abel, Milpitas, California (APN 086-10-025) to Rajyoga Meditation & Research Center, a Nonprofit Corporation ("Rajyoga Meditation"). The parties entered into a Real Property Purchase Sale Agreement in accordance with Resolution No. 71.

With Resolution No. 80 on May 6, 2017, the Oversight Board authorized extension of the Due Diligence Period and Closing Period (First Amendment to Agreement) and authorized Chair McInerney to grant further extension subject to good faith and reasonable progress. Per that authority, Chair McInerney authorized a Second Amendment to the Agreement.

The attached Chronology has been prepared by Chair McInerney and reflects an up to date listing of recent discussions with Rajyoga Meditation.

At this time, Rajyoga is seeking an extension of the Due Diligence Period to March 31, 2017 with a close date of April 30, 2017 along with a reduction in the purchase price of the property in the amount of \$503,000. The basis for the request is "certain contingencies that have arisen that were not previously expected." These contingencies are the areas of the roof, the HVAC system, and the fire alarm and sprinkler systems. Attached is a letter dated March 7, 2017, reflecting Rajyoga Meditation's request as well as a contractor's bid on the work requested.

The following points should be considered by the Oversight Board:

- (i) The Purchase Sale Agreement provides that the property is sold "as is."
- (ii) Despite the "as is" language" an extension was approved previously to allow for completion of land use entitlements;
- (iii) Denial of the request may result in failure of the sale to close and the process for sale of the property would have to start over;

- (iv) A new RFP process, award of a contract, and a new escrow period will exceed the extension recommended by Chair McInerney;
- (v) Expeditious sale of Successor Agency properties is required under the Dissolution Law;
- (vi) The Oversight Board should consider the efforts to date made by Rajyoga Mediation including the securing of land use entitlements from the City of Milpitas and whether approval of the Rajyoga Mediation request to extend the Due Diligence Period is in the best interest of the Successor Agency and taxing entities to ensure the sale is completed; and
- (vii) Approval of the extension to the Due Diligence Period promotes sale of the property sooner than starting a new RFP process.

In the event the Oversight Board approves an extension and reduced price, the proposed Resolution provides for execution by Rajyoga Mediation by a date certain. The Resolution also provides that the Successor Agency and Ad Hoc Committee are authorized to issue a new RFP for sale of the property in the event the amended Purchase Sale Agreement is not executed or in the event the sale does not close by the new Closing Date.

Attachments:

- Email correspondence from Rajyoga Mediation
- Oversight Board Resolution No. 85
- Chronology prepared by Chair McInerney

Law Office of Ritu Patel
1818 San Miguel Drive
Walnut Creek, CA 94596
925-360-6510

March 7, 2017

Re: Purchase of 540 South Abel Street, Milpitas

Dear City of Milpitas/Successor Agency and Oversight Board,

Thank you very much for working with us through the process of our purchase of 540 South Abel Street. We appreciate the efforts you all have made to date in helping us to facilitate this purchase.

We have spent over a year now working on the due diligence process to confirm this property will be suitable for Raj Yoga Meditation's needs. There have definitely been some challenges in this process and we have made several discoveries regarding the habitability and suitability of the property. We understand that the property was to be purchased "As Is." However, certain contingencies have arisen that were not previously expected. Specifically, construction and retrofitting will now be necessary in three major areas: the roof, the HVAC system and the fire alarm and sprinkler systems.

Firstly, the existing roof on the property is non-functional and will need to be replaced--it is rusted and it leaks. The roof has completely failed. This was not expected.

Secondly, the existing HVAC does not work and it is rusted. A new HVAC system will be required. This was also not expected.

Finally, a new fire sprinkler system and a new fire alarm system has now been mandated by the Fire Department. In addition, the property will require a new 4-inch fire service from the main to the stub up at the building. This was also not expected. From the beginning, we have been very clear that the property will operate not only as a meditation center but will also have residences for the Sisters. The fire requirements were a surprise cost that we were not expecting.

The costs associated with addressing the above areas (the roof, HVAC and fire sprinkler/alarm system) are exorbitant and were not factored into our budget. In fact, we were told that if we did not make any external modifications to the structure, we would not be required to put in a fire sprinkler/fire alarm system and retrofit the building. Now we are being asked to retrofit it. This was unexpected. The construction cost to make the property compliant with local and state codes and to meet our Raj Yoga Meditation needs exceeds \$500,000. Because we are a nonprofit organization and had come into this process with a set budget, we are not able to absorb this additional expense. We respectfully request you consider a reduction in the sale price

by the amount of \$500,000 in order to keep us within the budget that we had set forth at our preliminary meeting one year ago.

We have obtained two separate independent proposals from general contractors. We have attached hereto the lower of the two proposals which outlines the cost to retrofit and modify the property. Along with the contractor's proposal, we are also attaching photos to support our request.

We are very interested in finalizing the purchase of 540 South Abel Street and moving forward with the closing of the sale. Please let us know if there is any additional information we can provide. Thank you in advance for any assistance you can provide us with this matter.

Sincerely,

Ritu Patel
Attorney at Law

Law Office of Ritu Patel
1818 San Miguel Drive
Walnut Creek, CA 94596
925-360-6510

March 8, 2017

Re: Addendum For 540 South Abel Street, Milpitas

Dear City of Milpitas/Successor Agency and Oversight Board,

We wish to offer additional clarification regarding the information provided in our letter dated March 7, 2017.

The three major areas of construction that we identified were (1) the roof, (2) the HVAC system and (3) the fire alarm and fire sprinkler systems. These are areas where the systems identified need to be replaced and added to the existing structure not retrofitted. In other words, the roof and the HVAC systems need to be replaced because the current roof has failed and the current HVAC system does not work. A brand new fire alarm system and a new fire sprinkler system will need to be installed because they are now being mandated by the Fire Department. We apologize if our previous letter erroneously represented that these were areas where retrofitting was required. That is not the case.

In addition, we would like to offer additional clarification on SVB Construction Co, Inc's Proposal. Scope of Work, line item (3) provides for "All exterior windows, structural reinforcements all around for all trades." This line item refers to the earthquake retrofit that is now being mandated by the Building Department. The earthquake retrofit will require structural and other modifications of the building, including but not limited to, retrofitting the existing windows to accommodate these structural changes.

We hope that this additional information clarifies any confusion in our letter dated March 7, 2017. Please let us know if there is any additional information we can provide.

Sincerely,

Ritu Patel
Attorney at Law
Secretary RMRC

SVB CONSTRUCTION CO INC
3287 Vittoria Loop, Dublin, CA 94568
TEL: 925-956-9912. FAX:408-834-7789

E-MAIL: svbconstruction@gmail.com

CA License # 934596

Proposal

RAJYOGA MEDITATION RESEARCH CENTER

Attn: ATMA DAYAL

540 South Abel Street

Milpitas, CA 95035

February 9, 2017

RE: Improvement of the buildings

SVB Construction is pleased to submit the following proposal. SVB will provide labor & equipment and material for items as specified as per scope of work detailed below: For a total sum of \$503,300.00.

SCOPE OF WORK:

1. Demo / remove old roof and install New Roof. \$125,500.00
2. All New HVAC System: 3 five Ton roof top units with all new ducting -Supply and Return registers: \$52,500.00
3. All exterior Windows, Structural Reinforcements all around for all trades \$142,500.00
4. All new Sprinkler System: \$51,000.00
5. For Installation of new 4" Fire service from Main to Stub-up at Building including Backflow, Vault and In-ground PIV -Trenching, backfill, Asphalt, and traffic control: \$48,000.00
6. Fire Alarm: \$22,500.00
7. Dumping: \$13,500.00 Allowance.
8. General Contractor's Fee & Over Head: \$47,500.00

Dumping-To dump all construction material as per recycle program of City of Milpitas. Owner to pay for Dumpster as needed to save the costs.

1. All permits & permit fees and costs if any, are to be paid by the Owner.
2. All utility fees and costs if any are paid by the Owner.
3. Any items not mentioned above are excluded.
4. Owner to provide access to electricity and water.
5. Special testing fee if any are not included.

SVB Construction Co can start the job in 5 working days of an executed contract, all permits being issued with funding in place.

Payment Schedule as following:

1. Down payment of \$_____ at the time of signing this proposal in order to place an order for the material & other lead items.
2. Progress Payments -Can be worked out in details.

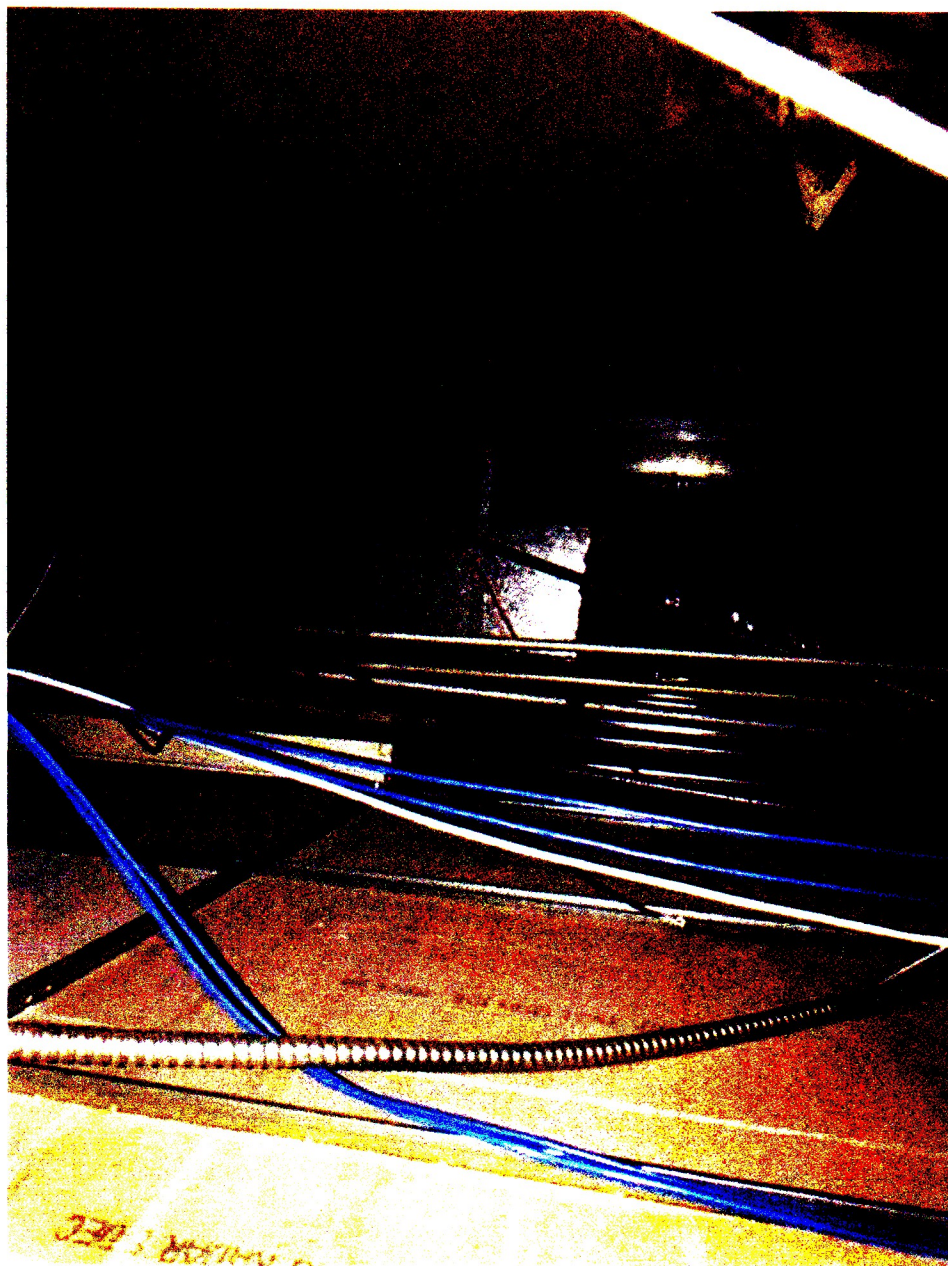
Sincerely,

Balaji M

SVB Construction Co Inc

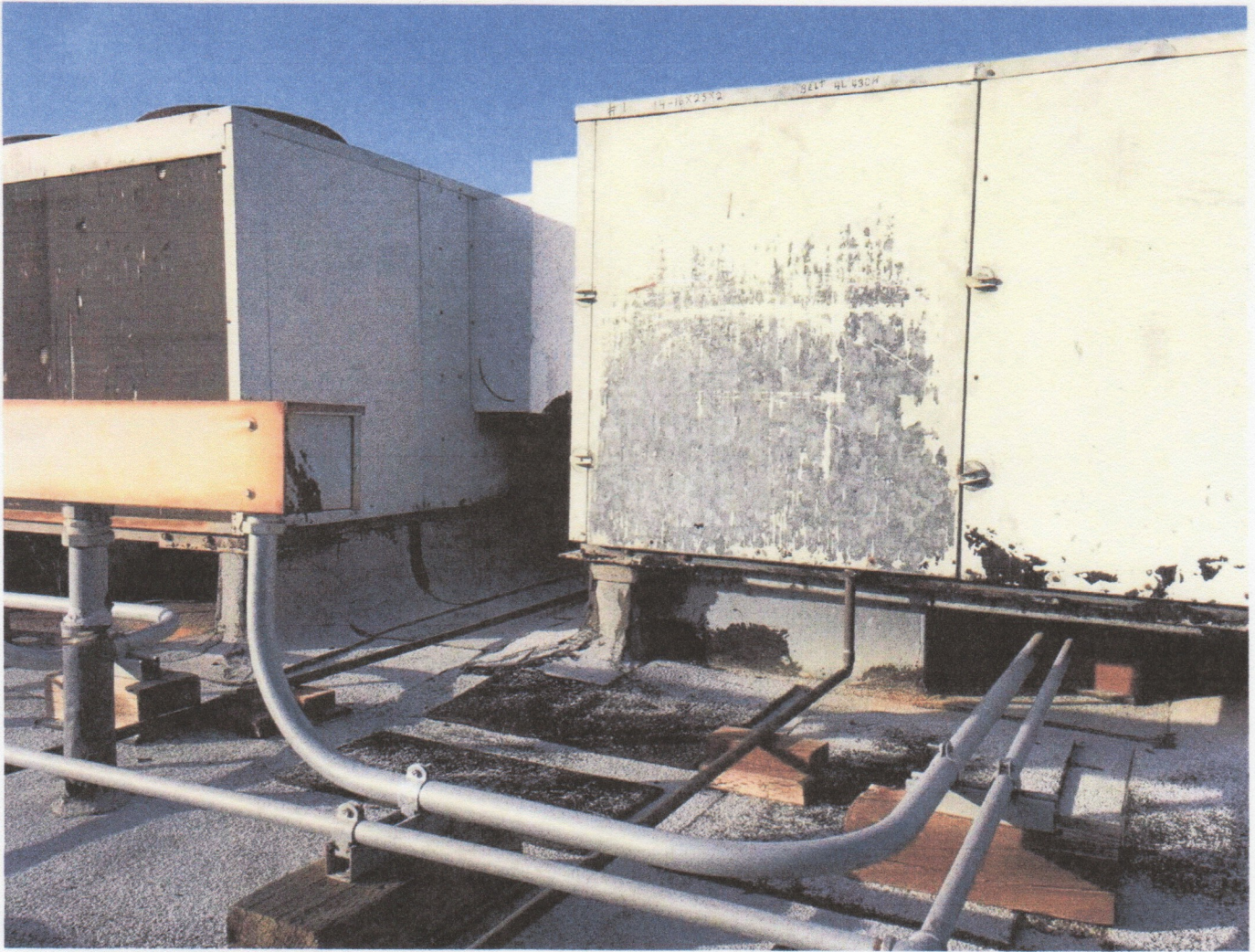
Accepted & contracted

Owners/Authorized person















RESOLUTION NO. 85

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER MILPITAS REDEVELOPMENT AGENCY APPROVING AMENDMENT TO REAL PROPERTY PURCHASE SALE AGREEMENT AND MUTUAL ESCROW INSTRUCTIONS FOR PROPERTY LOCATED AT 540 S. ABEL, MILPITAS, CALIFORNIA (APN 086-10-025) BETWEEN SUCCESSOR AGENCY AND RAJYOGA MEDITATION & RESEARCH CENTER, A NONPROFIT CORPORATION TO EXTEND THE DUE DILIGENCE PERIOD AND CLOSING DATE AND TO REDUCE THE PURCHASE PRICE OF PROPERTY; AND AUTHORIZING ISSUANCE OF A NEW RFP REGARDING SAID PROPERTY IF CLOSING IS NOT EFFECTED.

WHEREAS, on December 9, 2015, the Oversight Board adopted Resolution No. 71 approving the Successor Agency's sale of real property located at 540 S. Abel, Milpitas, California (APN 086-10-025) to Rajyoga Meditation & Research Center, a Nonprofit Corporation ("Buyer"); and

WHEREAS, the Successor Agency and Buyer entered into a Real Property Purchase Sale Agreement and Mutual Escrow Instructions ("Purchase Sale Agreement") for purchase of said real property in accordance with Resolution No. 71;

WHEREAS, Buyer has secured land use entitlements for the property from the City of Milpitas and has expended significant funds and resources in that regard; and

WHEREAS, the parties have amended the Purchase Sale Agreement based on requests by Buyer to extend the Due Diligence Period; and

WHEREAS, Buyer has requested a new extension of the Due Diligence Period and the Closing Period and a reduction of the purchase price for the property as set forth in the staff report presented to the Oversight Board at its meeting of March 13, 2017; and

WHEREAS, the Purchase Sale Agreement provides that the property is sold in an "as is" condition; and

WHEREAS, denial of the extensions request and reduction in purchase price may result in failure of the sale to close and the process for sale of the property would have to start over; and

WHEREAS, a new RFP process including review of submissions, award of a contract, and a new escrow period will exceed 90 days and the results of such a process may not be favorable to the taxing entities; and

WHEREAS, the Oversight Board has considered the efforts to date made by Buyer to secure its land use entitlements from the City of Milpitas, the written documentation, the presentations made at the March 13, 2017, meeting, and the input from the Successor Agency; and

WHEREAS, approval of Buyer's requests is in the best interest of the Successor Agency and taxing entities to ensure the sale is completed and to avoid commencement of a new RFP process.

NOW, THEREFORE, the Oversight Board of the former Milpitas Redevelopment Agency resolves as follows:

Section 1. The recitals set forth above are true and correct and are incorporated herein by reference.

Section 2. The Oversight Board:

- a. Finds the best interests of all taxing entities are best served by extending the Due Diligence Period and Closing Date and by reducing the purchase price of the Property.
- b. Approves Amending the Real Property Purchase and Sale Agreement and Mutual Escrow Instructions (540 S. Abel, Milpitas, California 95035; APN 086-10-025) Between the Successor Agency of the Former Redevelopment Agency of the City of Milpitas and Rajyoga Meditation & Research Center, a nonprofit corporation as follows:
 - (i) The Due Diligence Period shall be extended to _____.
 - (ii) The Closing Date shall be extended to _____.
 - (iii) The purchase price of Property shall be reduced by \$ _____.
- c. Directs special counsel to prepare an Amendment to the Purchase Sale Agreement consistent with this Resolution for review by the Successor Agency and the Oversight Board Chair.
- d. Authorizes the Successor Agency to submit the Amendment to the Purchase Sale Agreement to Buyer with the condition that the Buyer is required to execute the Purchase Sale Agreement on or before _____.
- e. Determines that in the event the sale does not close, the Oversight Board Ad Hoc Committee and Successor Agency are authorized to issue a new RFP for 540 S. Abel, Milpitas, California 95035; APN 086-10-025. This determination is made to ensure there is no further delay regarding the sale of subject property.

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PASSED AND ADOPTED on March 13, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Barbara Crump
Oversight Board Secretary

Michael McInerney
Oversight Board Chair

RESOLUTION NO. 85

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER MILPITAS REDEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE OF A NEW REQUEST FOR PROPOSALS FOR PROPERTY LOCATED AT 540 S. ABEL, MILPITAS, CALIFORNIA (APN 086-10-025).

WHEREAS, on December 9, 2015, the Oversight Board adopted Resolution No. 71 approving the Successor Agency's sale of real property located at 540 S. Abel, Milpitas, California (APN 086-10-025) to Rajyoga Meditation & Research Center, a Nonprofit Corporation ("Buyer"); and

WHEREAS, despite concessions by the Successor Agency and Oversight Board and amendments to the Purchase Sale Agreement requested by Buyer, the sale has not closed.

NOW, THEREFORE, the Oversight Board of the former Milpitas Redevelopment Agency resolves as follows:

Section 1. The recitals set forth above are true and correct and are incorporated herein by reference.

Section 2. The Oversight Board finds the best interests of the taxing entities are best served by issuance of a new Request for Proposals for sale of the Property.

Section 3. The Ad Hoc Committee is authorized to work with the Successor Agency to prepare and issue a new Request for Proposals.

PASSED AND ADOPTED on March 13, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Barbara Crump
Oversight Board Secretary

Michael McInerney
Oversight Board Chair

CHRONOLOGY OF MAJOR ACTIONS RELATED TO SALE OF 540 SOUTH ABEL

1. December 9, 2015 – Oversight Board selects Rajyoga Meditation Center (RMC) as successful proposer for 540 South Abel Street Property. Standard Purchase and Sale Agreement calls for 30 day due diligence period from the effective date of the agreement. Meditation Group asks for 60 days and Board grants 90 days with close to sale within 180 days of Dec. 9, 2015.
2. May 6, 2016 – RMC requests additional 90 days for due diligence period. Board approves an additional six month extension to due diligence period to November 9, 2016 with authority to the Board Chair to approve an additional six months to May 9, 2017 upon a demonstration of reasonable progress by both RMC and the City.
3. November 3, 2016 – Based on potential dates of Planning Commission action on the Conditional Use permit, Board Chair extends due diligence period to February 1, 2017 and close to March 1, 2017.
4. December 14, 2016 – Board Chair submits to RMC and Successor Agency the second amendment to Purchase and Sale Agreement (PSA) for signature. Amendment reflects February 1 and March 1, 2017 dates for end of due diligence period and close respectively.
5. January 11, 2017 – Milpitas Planning Commission unanimously approves conditional use permit allowing a residential component consisting of three bedrooms, three bathrooms, and a living room.
6. February 16, 2017 – Ms. Jane Corpus, Mr. Keyvan Irannejad, and the Board Chair meet with two representatives of the RMC. They learn that the RMC has asked the Planning Department to modify the conditional use permit to allow slightly modifying the main building's footprint. RMC also indicated that it was working on a proposal seeking a price adjustment based on the building's condition. Board Chair indicated that he would place the proposal and revised dates for due diligence and sale close on the March 13, 2017 Oversight Board meeting agenda.
7. February 28, 2017 – Board Chair sends memo requesting again that RMC execute second amendment to PSA to maintain an orderly process.
8. March 7, 2017 – RMC executes and submits to Board Chair, the second amendment after modifying end of due diligence period to March 31, 2017 but leaving close of sale date as March 1, 2017. Board Chair passes executed copy to Successor Agency (Ms. Jane Corpus) and responds to RMC that executed copy is inconsistent with end of due diligence after the close date.